BEFORE THE DEPARTMENT OF COMMERCE AND INSURANCE
FOR THE STATE OF TENNESSEE

IN THE MATTER OF:

FARMERS MUTUAL FIRE INSURANCE
CO. OF UNION COUNTY

ORDER ADOPTING EXAMINATION REPORT

Pursuant to Tenn. Code Ann. §§ 56-1-401, et seq., the Insurance Division of the State of Tennessee Department of Commerce and Insurance (hereinafter referred to as the "Division") has examined certain affairs of Farmers Mutual Fire Insurance Company of Union County, (hereinafter also referred to as the "Company"), a mutual insurance company domiciled in the state of Tennessee. As a result of an examination conducted as of the 31st day of December, 2008, the insurance examiner filed with the Division, on the 25th day of June, 2010, a verified, written report on the examination, and a copy of that report has been sent to the Company. (The Report on Examination of Farmers Mutual Fire Insurance Company of Union County, is attached hereto and marked as Exhibit A). The Company has waived all review rights it may have with respect to the examination report, pursuant to Tenn. Code Ann. § 56-1-411(d)(1). The Division received no written rebuttal to said examination report from the Company.

Pursuant to Tenn. Code Ann. § 56-1-411, said examination report regarding the affairs of Farmers Mutual Fire Insurance Company of Union County, filed with the Insurance Division of the State of Tennessee Department of Commerce and Insurance on the 25th day of June, 2010, is hereby ADOPTED as filed.
The adoption of this examination report shall not preclude the Department from imposing sanctions against Farmers Mutual Fire Insurance Company of Union County for potential violations of the Tennessee Insurance Law which may be revealed in the examination report, it being the intent of this Order Adopting Examination Report merely to adopt the examination report filed by the examiner-in-charge.

It is so ORDERED.

ENTERED this the __th day of January, 2011.

[Signature]
Leslie A. Newman, Commissioner
Department of Commerce and Insurance
State of Tennessee

PREPARED FOR ENTRY:

[Signature]
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